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J. J. JARVES, EDITOR.]

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POETRY.

For the Polynesian.

TO A LADY.

O let not joy and hope combine,
To weave a chaplet for my brow;
'T would be as when white ivies twine
Around the cypress or the yew.

Let no enraptured seraph's lyre
Its thrilling symphonies impart,
Or strive to light a kindred fire,
Or wake to joy my bursting heart!

Nor friendship's soothing accents roll
In faltering sighs upon my ear;
In vain to calm my troubled soul,
Or dry the grief-engendered tear!

But let affection's downy hand,
Fair lady, weave a faded wreath,
And gently bind the withered band
Around my sadden'd brow of grief!

I'm sure 'twould add a transient gleam
To weeping sorrow's fading eye;
I'm sure 'twould cheer life's parting beam,
In chaste affection's arms to die!

E.

COMMUNICATED.

MEXICO.

Report on its Finances under the Spanish Government, since its independence, and prospects of their improvement under the Presidency of His Excellency Don Antonio Lopez de Santa Anna; with calculations of the Public Debt—Foreign and Domestic—Average of Estimates, Revenue and Expenditure; to which are added Tables illustrative of its Commercial, Manufacturing, and prohibitive policy, and Remarks on Colonization;—the whole intended for the information of Merchants, Emigrants, and the holders of Mexican Bonds.

By ROBERT CRICHTON WYLLIE.

As in Spain itself, Contraband is the bane both of trade and revenue. Baron Humboldt remarked that under the Spanish government, in spite of night-patrols, and numerous Custom house guards, supported at great expense, and in spite of severe penal laws, Contraband will necessarily continue, until the incentive of profit be diminished by a total change in the custom house laws. He says, the duties were then so enormous that they added from 35 to 40 per cent on the price of foreign goods imported in Spanish vessels. What would he have said now of the different Tariffs which have been in force since 1826, imposing duties of 100, 150, and 200 and upwards, per cent, on the price of foreign goods most used by the lower classes?

By looking over the "Memorias" of the different Ministers of Finance, from 1822 downwards, I find them all bewailing the enormous contraband that prevailed everywhere, and the almost universal corruption of their own functionaries; but at the same time promising a better state of things, through the active and efficient measures contemplated by the Executive, and Legislature of the time. Yet, the MONSTER EVIL, seems to have grown from year to year, drawing fresh life and vigor, from the very measures adopted by the government for its annihilation. Proofs of what I say are to be found in every "Memoria," and in the admissions of all the ministers, (many of whom have been men of knowledge, talent, and probity) who have successively administered the financial affairs of the Republic.—It would occupy too much of my time and space to give quotations from them all. But the following remarks by Don Antonio Garay, in his "Memoria" of 1834, are so apposite, that I cannot resist the temptation of translating them. Speaking of the revenue arising from maritime Custom houses, he says,—"But in the state in which it now exists, it wounds the sensibility of the man who truly loves his country, to reflect that what is collected of maritime duties, without risk of mistake, may be pronounced to be not one half of what they ought, legally, to produce; and, although a great part of the excess, at first view, ought to afford a tolerable fortune to those who absorb it, it is not so, in reality,

for the very facility with which they acquire it, and their dependence upon the inexhaustible resources of their appointments, makes them to be careless of its preservation, and leads them to squander it, by means as illegal as those by which they acquired it, and all this without encouragement in any sense or way to those branches of industry which constitute public wealth." "The Government believes, in good faith,"—speaking of a remedy—"that it would be fully obtained, by only diminishing the rates of the duties; regulating the laws which apply to the confiscation of smuggled goods, so as to leave no loophole for their evasion, and to appropriate the whole value of the goods confiscated to those who seize or denounce them, as the most effectual stimulus to the faithful discharge of their duties, and by enacting clear, positive, and even very severe laws, against all the "Employés," be they of what class they may, who directly, or indirectly, protect, foment or conceal Contraband, clearly designating every class of crimes and faults, and appointing Employés of probity and intelligence, with good salaries, punctually paid; because it is abundantly evident, that in this way all the great merchants belonging to the nations which trade with Mexico, whenever they observe a diminution of duties, leaving on their speculations a sure, though small profit, will make their remittances of goods, in good faith, and will not expose them to the risk of being confiscated for a trifling saving of duty; that they will enlarge the scale of their operations, that the public will buy the goods they want at a price lower in proportion to the amount of duty taken off, and that the "employés," secure in a decent subsistence, seeing that the bribe for their seduction cannot be so large as at present, and fearing the weight of a law condemning them to the contempt and execration of their fellow-citizens, would not so easily sell themselves, but would fulfil their duties with fidelity; and finally that public morality, in this respect, would improve, in place of being as at present, in a state of total decline."

Nobody could have more clearly exposed the monster evil of this Republic, in all its hideous deformity, than Señor Garay, nor could any one have recommended means more effectual for its destruction. But, alas! the only efficient one of those means, an adequate reduction of the Import, and other duties, was neglected, and without it all the others were of no use. Thus we find Don Joaquín Lebrija, the able minister of Finance, in 1837, in his "memoria" of that year, speaking of the financial system which still prevailed, as one that only tended to the absorption of the fortunes of individuals as, "the only problem solved by Mexican sequestration;" and as one practically leaving the road of fraud open to all who tried to commit it. We find Don Francisco Lombardo, the enlightened minister of Finance, in 1839, in his "memoria," of that year, saying:—"Even without taking into consideration the species of necessity which often leads to contraband, arising from the very impossibility of avoiding it, in every case, from the great inequality in the value of goods which regularly pay the duties, and those which escape the vigilance of the custom houses, there will always exist an incentive to it, more powerful than all laws, which is personal interest, encouraged by avarice, which resorts almost uniformly to the corrupt means of bribery to nullify the opposition of the Custom house officers, and often even the zeal of pure employés, who under other circumstances would remain faithful to the nation, and to their own consciences. The simple necessity of committing fraud, is an inexhaustible source of immorality, which ramifying itself in every direction, vitiates all classes, and throws insuperable obstacles in the way of all branches of the public administration." We find Don Javier Echeverría, minister of Finance, in 1840, in his "memoria," of that year, estimating the yearly product of the Custom houses at 6,000,000 of dollars, supposing the exertion of "the greatest vigilance upon the public employés," and further remarking "unless the laws be properly applied the excess of the passions cannot be restrained, nor can the abuses and irregularities which are committed, to the defrauding of the sacred interests of the public Treasury be corrected. The means of the government are not sufficient to restrain this tremendous evil which destroys public morality, and attacks the basis of the social edifice. The Judicial authority has a direct influence upon the wel-

fare of the nation, when it proceeds honestly, awarding condign punishment to delinquents, and thereby preventing the efforts and endeavors of the speculator, in league with the employé, faithless to the government and the nation. Let the Judges proceed with impartiality, let the law be applied with severity, and only so will be arrested the progress of a cancer which, under the shield of the impunity of crimes, is already eating into the very entrails of society."

After these admissions on the part of five of the most talented, honest, and experienced of Mexican financiers, I will not be considered hasty, rash or uncharitable, if I pronounce Contraband to be an evil, which did exist, it is true, under the Spanish Government, but which acquired ten-fold vigor under the Independent Government, and which, for 23 years, has resisted all attempts that have been made to cure it.

Now, whence derives its existence, this monster evil, this reproach of the Mexican name, this foul blot on Republicanism, this devourer of the vitals of the country, this cause of its Bankruptcy and discredit, of unpaid soldiers, civil servants and creditors. This curse, or cancer, spreading every where, vitiating all ranks and classes of citizens, corrupting their morality, eating into the very entrails of society, and sapping the groundwork itself on which the social edifice stands, in proud defiance of all fiscal and penal laws, and confessedly beyond the means of Government to control it?

I answer unhesitatingly, and without fear of contradiction, founded upon the nature of men and things, as tried and proved by 23 years' experience—in the fiscal system which has been adopted, and pertinaciously clung to, ever since Mexico became independent.

In confirmation of this opinion, I refer the reader to the table marked No. 2, in the Appendix, prepared at my request, by one of the best informed and most respectable merchants of this city.* It shews, in one connected and comparative point of view, the prime cost of six principal articles of consumption, and a calculation of the duties leviable thereon, under the different Tariffs that have been in force, since 1826, and that will be levied in 1844, under the new Tariff lately decreed. Let any merchant, any statesman, or any political economist examine that statement, and the system of exorbitant duties which it unfolds, and then say, if a system more favorable to the Contrabandist, more ruinous to the Importer, more prejudicial to the Consumer, and more detrimental to the public revenue, could have been invented.

Yet it is not to be suspected that the Mexican Legislature wished to check the progress of the extensive, and naturally rich country, for which they make laws. Bred up in the Spanish school of Political Economy, and inheriting all the prejudices of their fore-fathers, their legislation takes its character from that of the mother country. Hence arises the anomaly, that tho' the most enlightened of their ministers of Finance, have published calculations of the loss to the Treasury by the prohibition of foreign Cottons, and recommended a reduction of duties as the only effectual remedy for contraband, all such arguments have been lost upon those who frame the laws, who, like those of Spain, in the face of the lessons derived from other nations, and from their own experience, have piously stuck to the maxim that two and two make four; in other words, that if the treasury be in want, and if an existing duty of fifty per cent yield five millions of dollars, by putting on another fifty, they will get ten millions.

That this maxim is not to be relied on, in matters of revenue, has been proved over and over again in other countries, and has recently been proved in this, in the case of the 15 per cent consumption duty. Upon the effect of that duty, the Ex. minister, Don Javier Echeverría, thus expresses himself:—"To the facility which exists in our country for contraband, is added the stimulus given to it by the surcharge now of 10 per cent to the 5 per cent consumption hitherto levied on foreign goods; because there exists no doubt that TO INCREASE THE CONTRIBUTIONS, IS TO DIMINISH THEIR PRODUCTS, especially where their collection rests upon the good faith of those who owe the duties, and of the employés who receive them. And, will there ever be good faith on the part of

* William Drusina, Esq.

the former, when he who religiously pays the Custom house dues, is well aware that he cannot compete in the market with those who avoid them by fraud, who are the greatest number? These are not considerations of a merely speculative order; they are the result of experience, and the data which the ministry already possesses, prove that excepting in Mexico, and one other Custom house, the 15 per cent consumption duty is producing only the same or as much as the 5 per cent; and if that duty continues, as at present, it may be predicted that the revenue from the maritime and internal Custom houses will decrease; for the fact is, he who conveys from one market to another, domestic goods with foreign goods, to hide the latter, conceals also the former, and in the sea-board and frontier custom houses, either there will be a falling off in the importations from the diminished profits, or the consumption will be less, or the smuggler will increase his efforts to evade that internal burden on his goods."

Furthermore, the late minister of Finance, Cansero in his memoria of 1841, in a note on the 2d page of his Table No. 3, with reference to the 15 per cent Consumption duty says:—"the great contraband in the interior may be inferred from this, that the 5 per cent levied on 'internation' in the ports, yielded \$821,522-4-9½ grains, and the 10 per cent on liquors \$77,527-6-3 grs. (both seeming included in the sum of \$2,368,438-1-3½ referred to,) the 15 per 100 in the internal custom houses only produced \$1,409,388-1-3½, in place of \$2,400,000, which was what corresponded, in proportion."

After these illustrations, not by any foreigner interested in deceiving them, as they are too apt to suspect, but from two of their own ministers of Finance, if the Mexican congress men will not give up the point, that in matters of revenue, two and two do not always make four, they must admit that, occasionally, 5 multiplied by 3, does not make 15, in what concerns the products of the duties they establish.

But those who pretend to lead public opinion in this country, and really mislead it, meet all such demonstrations with the argument—if such it can be called—that the rules of political economy applicable to other countries, are actually inapplicable to this. A principle of this kind once established, and carried out to its fullest extent, would not only effectually bar all social and political improvement, but throw the Mexican population into a retrograde course, as compared with all other people. But this is not the principle they act upon, in matters vitally affecting their prosperity. Thus, because cotton and other manufactures have contributed greatly to the wealth of England, they who are in circumstances quite opposite, seek to establish their wealth, by directing their capital and industry to the same pursuits. And because the native manufactures cannot exist under a system of free trade, they eagerly search after the examples of other nations to sanction the prohibitions they have decreed, forgetting previously to ascertain how far prohibitions in those countries promoted or retarded their prosperity; and if the former, how far, the example, from a parity or disparity of circumstances, is applicable to themselves. While they would thus copy the example of England, in her manufactures, which I conscientiously believe it is not their interest to attempt, in 1824, they rashly copied from the United States their Federal Constitution, wholly inapplicable to the former unity of their own body-politic, and neglected those means of augmenting their population and the productions of their soil, to which, and not to their manufactures nor their federal institutions, do the United States owe their gigantic growth as a nation.

At the opposite extremity of this continent exists a people similar to the Mexicans in all respects, of the same origin, and who have passed through nearly the same phases of revolution. The people I refer to are the Chilians. All who knew them between 1817 and 1830, will remember that they too had the notion that gold and silver constituted the only real wealth,—that high duties were the best means to keep that wealth in the country, and to fill the treasury,—and that while such opinions prevailed, the people were poor and disturbed, the treasury empty, the troops badly clothed and paid, public credit gone, the country swarming with hungry discontented military officers, and the coast with fraudulent and corrupt employers.